



Amy L. Alvarez  
District Manager  
Federal Government Affairs

Suite 1000  
1120 20<sup>th</sup> Street, NW  
Washington DC 20036  
202-457-2315  
FAX 202-263-2601  
email: alvarez@att.com

September 9, 2002

Via Electronic Filing

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room TWB-204  
Washington, DC 20554

Re: Application by Verizon New England and Verizon Delaware for Authorization to Provide In-Region, InterLATA Services in New Hampshire and Delaware, Docket 02-157

Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Docket 01-338

Implementation of the Local Competition Provisions of the Telecommunications Act of the 1996, Docket 96-98

Deployment of Wireline Services Offering Advanced Telecommunications Capability, Docket 98-147

Dear Ms. Dortch:

On Friday, September 6, 2002, Robert Quinn, Mark Keffer, Michael Lieberman, David Levy and the undersigned, all representing AT&T, met with William Maher, Chief of the Wireline Competition Bureau, Rich Lerner and Jeffrey Carlisle of the Bureau's Competition Policy of Division and Tamara Priess of the Bureau's Pricing Policy Division. The purpose of this meeting was to discuss the pricing issues raised by AT&T in connection with Verizon's joint application for interLATA authority in Delaware and New Hampshire.

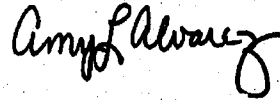
More specifically, AT&T demonstrated that Verizon's switching rates in New Hampshire are not cost-based and explained that for purposes of rate benchmarking, conducting a comparison between the switching rates in New Hampshire and New York is appropriate as the Synthesis Model tends to overstate the costs of transport, particularly in lower density states. We reiterated that the relief AT&T seeks is narrow and specific: that a direct benchmarking comparison of switching rates in New Hampshire versus New York be considered. AT&T also raised concerns about Verizon's rate development for New Hampshire, and the apparent discrepancy between the time-of-day weights that Verizon claims to be representative of the average customer and the time-of-day weights used to develop the underlying cost study.

In addition, we briefly discussed Verizon's recently revised switching rates in Delaware and informed the Commission that AT&T would provide a complete analysis of these rates in the supplemental comments to be filed on September 10, 2002. AT&T also discussed its concerns regarding Verizon's non-recurring charges ("NRCs") in Delaware, and in particular, Verizon's inflated NRCs for vertical feature changes, field installations and hot cuts. The arguments made were consistent with AT&T's written submissions in Docket 02- 157.

As part of this discussion, we also referred to AT&T's comments filed in the above-referenced Triennial Review dockets which highlight the need to establish some form of electronic loop provisioning in order to accelerate the development of facilities-based local competition. We explained that the technology to support electronic provisioning is technically feasible and available today and that electronic provisioning could eliminate some of the enormous financial and technical obstacles to facilities-based competition that currently exist.

One electronic copy of this Notice is being submitted in each of the above-referenced proceedings in accordance with Section 1.1206 of the Commission's rules.

Sincerely,

A handwritten signature in black ink, appearing to read "Amy L. Alvarez". The signature is fluid and cursive, with the first name "Amy" and last name "Alvarez" clearly distinguishable.

cc: Jeffrey Carlisle  
Rich Lerner  
Tamara Preiss  
Gary Remondino  
Julie Saulnier  
Victoria Schlesinger  
Henry Thaggert  
Tracey Wilson  
Ann Berkowitz (Verizon)